

## **FINAL STATEMENT OF REASONS: ADOPTION OF AMENDED REGULATIONS RELATING TO THE ATTORNEY GENERAL'S SUPERVISION OF CHARITABLE ORGANIZATIONS**

The Initial Statement of Reasons remains applicable except that there have been minor, non-substantive changes to the proposed regulations. The gross annual revenue amounts have been corrected to eliminate an overlap. The change does not increase the fee for any organization subject to the regulation. The change is explained in more detail in the Updated Informative Digest which is incorporated by reference.

### **II. Technical Studies Relied Upon**

In proposing these regulations, the Attorney General reviewed the data from existing registrants, and examined the costs involved in operating the Registry of Charitable Trusts. The Attorney General did not rely upon any other technical, theoretical or empirical study, report or similar document in proposing these regulations.

### **III. Alternatives to the Proposed Regulations**

Adoption of the proposed modified regulations is necessary to facilitate the supervision of charitable organizations and to generate revenue necessary for the operation and maintenance of the Attorney General's Registry of Charitable Trusts. The Attorney General has determined there is no alternative available to accomplish these objectives.

### **IV. Economic Impact on Business**

The proposed amendments to the regulations will have a minor economic impact on business, as they will impose an initial registration fee of \$25 for new charitable registrants, and will increase the annual renewal fee for charities, as well as for commercial fundraisers, fundraising counsel, and commercial coventurers. The annual renewal fee for charities is determined using a sliding scale, and therefore organizations with lower annual revenue would

pay less than those with higher revenues. The Department finds that it is necessary for the health, safety or welfare of the people of this state that proposed sections 301, 304, 305, 306, 307, and 308 apply to businesses.

#### **VI. Effect on Local Agencies and School Districts**

These regulations do not impose a mandate on local agencies or school districts. The regulations affect only specified non-profit organizations which do not include local agencies or school districts.

#### **VII. Copies of the Rulemaking Package**

Copies of the Rulemaking Package, including the Final Statement of Reasons, may be found on the website of the Office of the Attorney General (<http://ag.ca.gov>) or obtained by contacting the Registrar of Charitable Trusts, P.O. Box 903447, Sacramento, CA 94203-4470 or by telephoning (916) 445-2021.